

Brussels, November 17th, 2003

Dear Mr. Fischler,

The reform approved by the Council of Agriculture Ministers last June marks a fundamental change in the CAP and completes the process begun in 1992.

The main feature of the reform launched in Luxemburg is the introduction of decoupling, which is the practical implementation of the transition from a policy of price and production support to a more comprehensive policy of farmer income support.

However, the political agreement on CAP reform reached on 26 June 2003 was made possible thanks to the flexibility introduced in the new support system, through the option granted to Member States of maintaining certain aid schemes partially coupled, so as to avoid any environmental and employment repercussions which might result from general application of total decoupling. In the relevant discussions, the Member States and the Commission committed to provide long-term policy perspectives for other sectors, among which the tobacco. Also, the June commitment stated that the reform of the above-mentioned sector will be based on the objectives and approach of the general reform.

Mr. Franz Fischler
Member of the European Commission
Responsible for Agriculture,
Rural Development and Fisheries

The Commission has delivered a Communication on the reform of the tobacco sector.

We fully share the will to take into due consideration the problem of public health caused by smoking. Following this intent, Member States have implemented measures of prevention, and at the same time measures of regulation and taxation.

While taking into due consideration health protection, the CAP has also to pursue the objectives to which it is called, in particular employment and land management.

The reforms proposed for tobacco by the Commission do not follow this approach. The Commission proposes total decoupling of support, which will have very serious consequences for employment, will suddenly provoke an abandonment of tobacco growing and will mean the loss of tens of thousand of jobs, not only on farms but also in the processing industry.

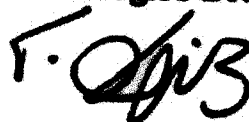
This phenomenon will be made even more serious by the fact that tobacco growing is heavily concentrated in certain regions, where activities linked to tobacco provide high percentages of overall employment.

For these reasons, it would be desirable, Mr Commissioner, if the same reform model could be adopted for tobacco as for other sectors, providing flexibility margins which would allow Member States to adopt partial decoupling arrangements, as an alternative to the approach suggested by the Commission.

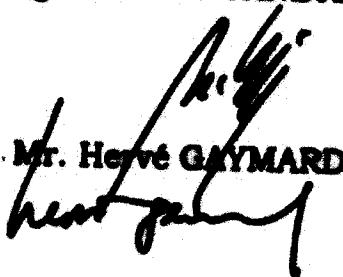
The chief reason for this request is the need to protect the jobs of all workers in the sector. But another reason is the need to improve the sustainability and competitiveness of rural economies, in accordance with the general approach shared by the Council and the Commission.

Sincerely,

Mr. Georgios DRYS

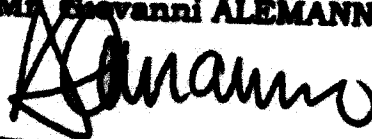


Mr. Miguel ARIAS CAÑETE



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